

SENATE BILL No. 261

DIGEST OF INTRODUCED BILL

Citations Affected: IC 27-7-3.

Synopsis: Title search. Provides that a company that issues title insurance must do a title search in certain circumstances.

Effective: July 1, 2003.

Paul

January 9, 2003, read first time and referred to Committee on Insurance and Financial Institutions.

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First Regular Session 113th General Assembly (2003)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2002 Regular or Special Session of the General Assembly.

SENATE BILL No. 261

A BILL FOR AN ACT to amend the Indiana Code concerning insurance.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 27-7-3-18 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 18. **Except as**
3 **provided in section 21 of this chapter**, the provisions of this chapter
4 shall not apply to any insurance company organized or desiring to
5 organize under and pursuant to IC 27-1 nor to any person, firm,
6 partnership, corporation, limited liability company, association, or
7 company whose business is the making of abstracts of title to real estate
8 and attaching their certificate thereto and not engaging in the business
9 of making title insurance, nor to any person, firm, partnership,
10 corporation, limited liability company, or association acting as an
11 authorized agent for a duly qualified title insurance company.

12 SECTION 2. IC 27-7-3-21, AS ADDED BY P.L.68-2002,
13 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
14 JULY 1, 2003]: Sec. 21. (a) **As used in this section, "company"**
15 **means the following:**

16 **(1) A company described in section 3 of this chapter that**
17 **issues a title insurance policy.**



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1 **(2) An insurer (as defined in IC 27-1-2-3) that:**

2 **(A) is organized under IC 27-1; and**

3 **(B) issues a policy that provides the kind of insurance**
 4 **described in Class 2(j) of IC 27-1-5-1.**

5 **(3) An insurance producer that:**

6 **(A) is licensed under IC 27-1-15.6; and**

7 **(B) sells, solicits, or negotiates a policy that provides the**
 8 **kind of insurance described in Class 2(j) of IC 27-1-5-1.**

9 **(b) A company described in section 3 of this chapter that issues a**
 10 **title insurance policy shall perform or cause to be performed a title**
 11 **search for the real estate in conjunction with a mortgage secured by the**
 12 **real estate unless the mortgage meets all of the following requirements:**

13 **(1) The principal amount of the mortgage is not more than fifty**
 14 **thousand dollars (\$50,000).**

15 **(2) The mortgage is subordinate to a prior mortgage where a title**
 16 **search was conducted and a title policy was issued.**

17 **(3) The mortgage is not a reverse mortgage.**

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